

MINUTE ITEM

18. (AMENDMENT TO CONTRACT LC-91 WITH AUDITS DIVISION, DEPARTMENT OF FINANCE - W. O. 2323.4.)

After presentation of Calendar Items 11 and 12 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE ACTION OF THE CHAIRMAN OF THE STATE LANDS COMMISSION AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE AN AMENDMENT TO CONTRACT LC-91 WITH AUDITS DIVISION, DEPARTMENT OF FINANCE, SAID AMENDMENT PROVIDING FOR INCREASING THE TOTAL AMOUNT PAYABLE THEREUNDER TO \$16,500, IS CONFIRMED.

Attachment

Calendar Items 11 and 12 (2 pages)

CALENDAR ITEM

MISCELLANEOUS

11.

(AUTHORIZATION FOR AMENDMENT TO CONTRACT LC-91 WITH AUDITS DIVISION, DEPARTMENT OF FINANCE - W. O. 2323.4.)

The Commission's attention is called to the following excerpt from Calendar Item 9 of its meeting of May 13, 1957:

"In a letter dated April 23, 1957, to the Executive Officer of the State Lands Commission, Mr. Eric M. McLachlan of the Audits Division of the Department of Finance states, 'The current review of the Long Beach Oil Operation by the Audits Division is taking a considerable additional amount of time beyond that originally contemplated. It now appears necessary that we should increase the allotment for this investigation by approximately \$5,000 to complete the current year's review. This has been necessitated by the fact that we have run into rather complicated accounting and distribution problems that seriously affect the amounts due the State by several hundreds of thousands of dollars'".

The matter of services being rendered by the Audits Division and the costs thereof were reviewed by Mr. McLachlan and members of the Lands Commission's staff at a meeting held June 21, 1957. This review revealed the fact that funds provided for the services being rendered (\$15,000) were inadequate, and that \$1,500 additional would be required to pay for services through June 30, 1957. Funds are available to provide for this additional increase.

IT IS RECOMMENDED THAT THE EXECUTIVE OFFICER BE AUTHORIZED TO EXECUTE AN AMENDMENT TO INTERAGENCY CONTRACT LC-91 WITH THE AUDITS DIVISION OF THE DEPARTMENT OF FINANCE TO INCREASE THE TOTAL AMOUNT PAYABLE UNDER SAID CONTRACT TO \$16,500, SAID AMENDMENT TO BE IN AN AMOUNT OF \$1,500.

CALENDAR ITEM

MISCELLANEOUS

12.

(AMENDMENT TO CONTRACT LC-91 WITH AUDITS DIVISION, DEPARTMENT OF FINANCE - W. O. 2323.4.)

In order to secure approval during the period of availability of funds appropriated for the 1956-57 fiscal year, the matter which is the subject of Calendar Item 11 was brought to the attention of the Chairman of the State Lands Commission on June 27, 1957 with the following resultant action:

As an urgency measure, the Chairman of the State Lands Commission authorizes the Executive Officer to execute an amendment to Interagency Agreement No. LC-91 with the Audits Division of the Department of Finance to increase the total amount payable under said agreement to \$16,500, said amendment to be in an amount of \$1,500. The action herewith taken is subject to confirmation by the Commission at its next regular meeting.

IT IS RECOMMENDED THAT THE ACTION OF THE CHAIRMAN OF THE STATE LANDS COMMISSION AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE AN AMENDMENT TO CONTRACT LC-91 WITH AUDITS DIVISION, DEPARTMENT OF FINANCE, SAID AMENDMENT PROVIDING FOR INCREASING THE TOTAL AMOUNT PAYABLE THEREUNDER TO \$16,500, BE CONFIRMED.